



SPONSOR: Sen. Mantzavinos & Rep. K. Williams
Sens. Buckson, Sokola, Walsh

DELAWARE STATE SENATE
152nd GENERAL ASSEMBLY

SENATE BILL NO. 162

AN ACT TO AMEND TITLE 21 OF THE DELAWARE CODE RELATED TO MOTOR VEHICLES.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF DELAWARE:

1 Section 1. Add Chapter 87, Title 21 of the Delaware Code by adding insertions as shows by the underline as
2 follows:

3 Chapter 87. Authorized third party providers.

4 § 8701. (a) The Division of Motor Vehicles may enter into contracts with qualified third parties whose principal
5 offices are located in Delaware or any state in which the DMV has a letter of understanding to allow for the provision of
6 certain motor vehicle services to Delaware residents. Such services are provided in addition to the same services provided
7 by the DMV.

8 (b) An agreement under subsection (a) of this section may allow for any of the following services to be provided:

9 (1) Title and registration services.

10 (2) Duplicate titles, filing and removal of security interests, and license plate surrenders.

11 (3) Any other services pertaining to vehicle transactions as determined by the DMV.

12 § 8702. Requirements for qualified third parties.

13 (a) To be eligible to enter into a contract with the DMV and become an authorized service provider, a third party
14 under this chapter must meet all of the following criteria:

15 (1) Its principal office must be in Delaware or any state in which the DMV has a letter of understanding.

16 (2) Hold a general liability insurance policy from an A-rated carrier naming the DMV as an additional
17 insured with policy limits of at least \$1,000,000 per occurrence and \$2,000,000 aggregate.

18 (3) Provide a surety bond approved by the DMV of at least \$100,000.

19 (4) Conduct criminal background checks on all employees or agents who are involved in any work done
20 related to this chapter.

21 (5) Completion by all employees or agents performing work under this chapter of any required training
22 programs as determined by the DMV.

23 § 8703. Contract.

24 Any agreement entered into under this section must contain provisions in which the authorized third-party service
25 provider acknowledges that federal and Delaware laws are applicable and it and its agents agree to comply with all such
26 laws, including, all of the following:

27 (1) The Driver's Privacy Protection Act of 1994 (18 U.S.C. 2771, et seq.).

28 (2) Any regulations adopted by the Department of Transportation or the DMV regarding the disclosure or
29 dissemination of any of the following:

30 a. Any information obtained from DMV records.

31 b. Any information or document which has been or will be transmitted by the third party or its
32 agents to the DMV, including application forms, tax information, vehicle record information, or other
33 related materials.

34 §8704. Disclosure.

35 Prior to providing any service to a customer, the third-party service provider must provide the customer with
36 written information showing the cost of the services being provided compared with what the cost would be if the customer
37 went directly to the DMV to obtain such services.

38 Section 2. This Act is effective immediately and is to be implemented upon notice by the Secretary of
39 Transportation published in the Register of Regulations that final regulations to implement this Act have been promulgated.

SYNOPSIS

This Act will establish the ability for contracted third-party agreements between select qualified private companies and the Delaware Division of Motor Vehicles to process certain vehicle-related services. This will act as an additional resource if chosen by Delaware residents or their secured interests.

For years, Delaware's Division of Motor Vehicles has struggled to conduct timely vehicle processing of residents' titling and registrations, with an average wait time exceeding 4-8 weeks for in-state and out-of-state purchases. With the population now exceeding one million residents, allowing third parties to assist in vehicle processing will ensure timely processing of motor vehicles applications while alleviating the strain on DMV locations and personnel.

Author: Senator Mantzavinos